



Senate Veterans Affairs and Emergency Preparedness Committee

Lee Ann Labecki
Executive Director
717-772-2368

Senator Elisabeth J. Baker

Chairwoman

Senate Box 203020 • Harrisburg, PA 17120-3020 • 717-787-7428

MEMORANDUM

TO: Members of the Senate Veterans Affairs and Emergency Preparedness Committee

FROM: Senator Elisabeth J. Baker

DATE: June 11, 2007

SUBJECT: Public Hearing – Veterans Affairs & Emergency Preparedness Committee

The Senate and House Veterans Affairs and Emergency Preparedness Committees will hold a **joint public hearing on Tuesday, June 12, 2007 from 9:00 a.m. to 10:30 a.m. in the Senate Majority Caucus Room, in the Main Capitol.**

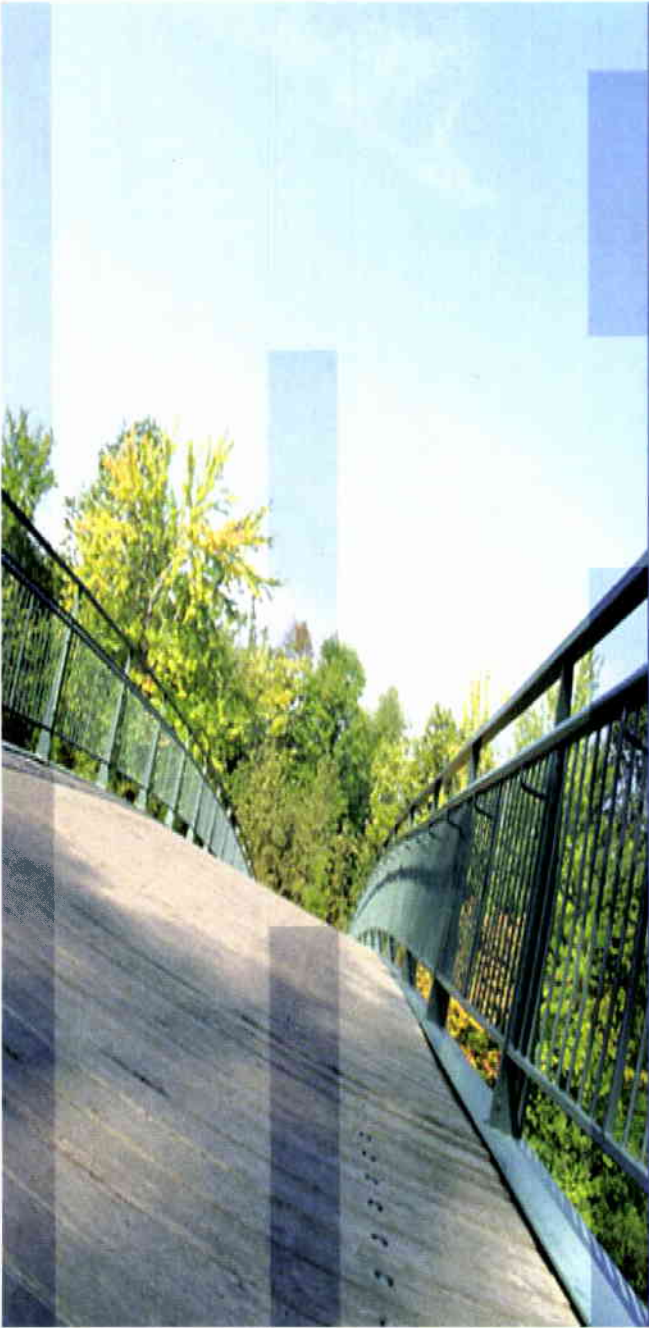
The purpose of the hearing is to consider testimony on a proposal to provide funding to sustain services and outreach to veterans provided by service officers employed by veteran service organizations including The American Legion, AMVETS, Veterans of Foreign Wars of the United States, and the Disabled American Veterans.

The proposal will enable these veterans' groups to keep the service officers programs staffed with Veterans' Administration certified personnel needed to provide Pennsylvania's veterans with the outreach and support that they deserve to access federal veterans' benefits. Presently, nineteen states fund service officer programs through legislation and a state appropriation.

Your participation is requested to receive testimony from the Department of Military and Veterans' Affairs and the Veterans Service Organizations.

Please contact Donna Stchur at 787-7428 to confirm your participation.

pc: Senator Dinniman, Minority Chair



Pennsylvania's Veterans' Service Organizations

**Helping Veterans to...
Bridge the Gap**

**Appropriations Request
PA Veterans Service Officers - FY 2007-2008**



Background

Problem

- Traditional role of PA Veterans' Service Organizations has been to provide and fund trained and accredited Veterans' Service Officers to represent veterans and their families.
- The goal is to assist veterans in obtaining federal veterans' services and benefits.
- More than 50 percent of the veterans receiving VA Compensation or pension benefits in Pennsylvania are represented by a Veterans' Service Organization.
- The Veterans' Service Organizations have always regarded this role as a primary mission and duty.
- The increasing number of veterans seeking benefits and decreasing resources are now risking the provision of service officers by veterans' groups.

Program

- Service Officers from veterans' organizations are currently funded through dues and fund raising projects supported by organization members.
- Collectively, the costs to the state veterans' organizations exceeds \$1.8 million annually and is taking funding away from other programs.
- Pennsylvania ranks fourth in the nation for the number of service members serving on active duty since August 1990.
- Based on most estimates, at least one in four of today's veterans returning from combat seeks VA Compensation for service connected injuries or illnesses. This is an increase over the traditional average.
- PA Veterans' Service Organizations have struggled to keep the service officer programs fully funded and staffed with trained personnel due to cost increases. Growing service demands will place a higher burden on existing service officers which could lead to staff turnover.
- With low starting salaries of \$21,500, it is very difficult to attract and to retain Veterans' Service Officers. Staff turnover means that less effective services are provided for Pennsylvania's veterans.
- Additionally, it takes several years for a new Veterans' Service Officer to become fully trained, accredited, and effective.

"This request for \$2.2m in funding equals \$2 of support for each of Pennsylvania's 1.1 million veterans."

"Every dollar secured in federal benefits...results in a reduced reliance on state benefit programs."



Request

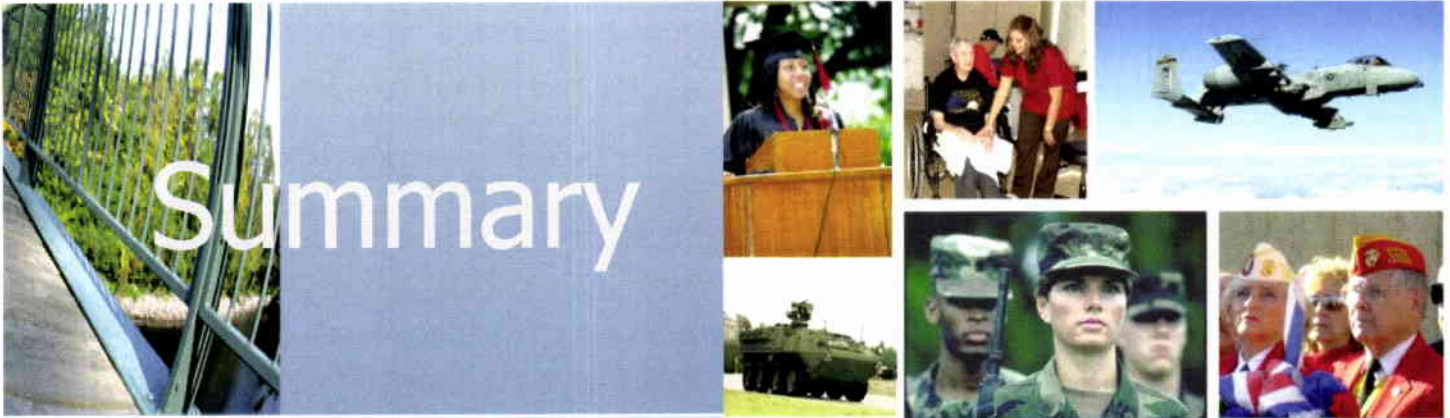
- Pennsylvania's four service organizations – The American Legion, Pennsylvania Department of Veterans of Foreign Wars, Disabled American Veterans and the Pennsylvania Department of American Veterans – have joined together to seek state funding for the Veterans Service Officer program.
- Adequately funding and staffing these Veterans' Service Office programs is the number one legislative priority of the Pennsylvania War Council and the State Veterans Commission for FY 2007-08.
- This issue requires immediate attention to ensure that Pennsylvania Veterans can access their veterans-related benefits at the state and federal level and can receive assistance throughout the entire application and approval process.

VSO Impact

- Pennsylvania veterans received \$1.1 billion in VA compensation and pension benefits during the federal fiscal year 2005.
- In 2004, the average annual benefit for a Pennsylvania veteran without service officer representation from a veterans group was \$4,612 compared to \$11,122 with service officer representation from a veterans group.
- The need for trained Veterans' Service Officers who understand the complexity of claims process has never been higher.

Proposal

- Each state takes a different approach to ensuring that their veterans population is aware of and receives benefits for which they are eligible.
- Many states the size of Pennsylvania employ additional veterans' service officers at the state level in addition to those provided by the veteran service organizations.
- Several states provide funding through their state veterans' affairs office to the veterans' service organizations to sustain statewide service officer efforts.
- Currently, Pennsylvania does not provide any funding to Pennsylvania's Veterans' Service Organizations in support of the service officers program.
- The first priority of the proposal is to maintain and retain the existing service officers that veterans' organizations already have in place.
- The second priority is to gain funding to reduce turnover by improving compensation levels for the veterans' groups service officers and providing administrative assistance to support claims processing.
- The third priority is to provide additional funding to support the expected increase in claims secondary to the Iraq and Afghanistan conflicts.



Funds

- Appropriated funds will be used to cover salaries, wages, benefits, training, and equipment associated with the hiring and retention of accredited veterans' service officers and associated support staff.

Summary

- Nineteen states are currently contributing to the Service Officers of the Veterans' Service Organizations.
- Pennsylvania's Veterans' Service Organizations are presently helping state veterans to access in excess of \$60m federal dollars pursuant to filing over 64,000 benefit claims per month. The greatest number of claims are filed for compensation assistance (n=44,615.)
- Every dollar secured in federal benefits to assist veterans with medical benefits, pharmaceutical, and general cost of living expenses equates to a reduced reliance on state support programs and more money spent in Pennsylvania's economy.
- Pennsylvania's Veterans' Service Organizations are requesting \$2.2m to maintain, sustain, and grow the veterans service officer program.
- This request equates to roughly two dollars of support for each of Pennsylvania's 1.1m veterans.

Monthly Awards Paid to Veteran Service Organizations

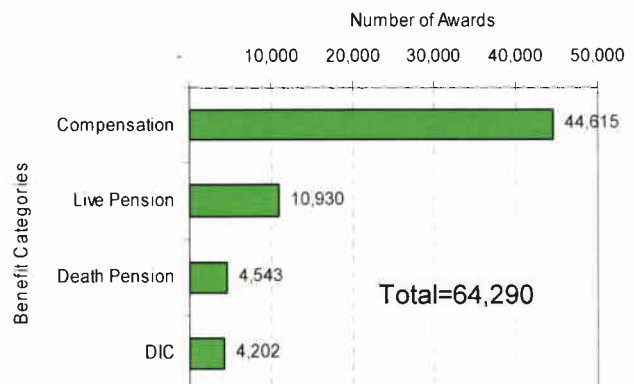
Veteran Service Orgs	Awards	Dollars
Disabled Veterans	28,370	\$ 30,509,658
American Legion	23,987	\$ 19,545,279
Veterans of Foreign Wars	9,742	\$ 7,687,570
AmVets	2,191	\$ 2,041,292
Statewide Totals	64,290	\$ 59,783,799

As of March 30, 2007

"In 2004, the average annual benefit for a Pennsylvania veteran without a Service Officer from a veterans' group was \$4,612 compared to \$11,122 with representation from a veterans' group."

"Adequately funding the Veterans' Service Office program is the leading legislative priority of the Pennsylvania War Council and the State Veterans' Commission in 2007."

Veterans Benefits by Category Distributed by State VSOs
(March 2007)





PENNSYLVANIA WAR VETERANS COUNCIL



P. O. Box 2324, Harrisburg, PA 17105 - 2324
717 - 730 - 9100

June 4, 2007

Dear Senator:

The Pennsylvania War Veterans Council has worked hand-in-hand with four Veterans' Service Organizations, including The American Legion, AMVETS, Disabled American Veterans, and Veterans of Foreign Wars, to draft a legislative proposal to increase support for service officers supported by Pennsylvania's Veterans' Service Organizations. Presently, these organizations assist veterans in processing over 64,290 claims a month helping Pennsylvania's veterans to claim nearly \$60,000,000 per month in federal veterans' benefits that otherwise would not be returned to the Commonwealth.

Senator Baker (R-Luzerne), Chair of the Senate Veterans Affairs and Emergency Preparedness Committee, has agreed to sponsor the Veterans' Service Officers bill, (SB 915, number reserved), and will be distributing a co-sponsorship memo shortly. The bill will enable these veterans' groups to keep the service officers programs staffed with Veterans' Administration certified personnel needed to provide Pennsylvania's veterans with the outreach and support that they deserve to access federal veterans' benefits.

Presently, nineteen states fund service officer programs through legislation similar to that being proposed. Some states have larger veterans' population, some smaller, but no states are experiencing a declining population. Michigan, with 820,000 veterans, closely aligns with Pennsylvania's population of 1.1 million. Presently, Michigan appropriates \$3.9m annually to support veterans' service officers hired by veterans' groups and realizes a return of \$63 in federal veterans' benefits for every state dollar spent.

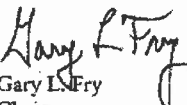
Our proposal seeks \$2.2m in state dollars to support the retention, hiring, and outreach of veterans' service officers by Pennsylvania's veterans' service organizations or two dollars of support for each of Pennsylvania's 1.1 million veterans. This level of support will enable our veterans' service organizations to continue to capture over \$720,000,000 in federal veterans benefits and to realize a return in investment of \$327 in federal benefits for every \$1 of state dollar spent.

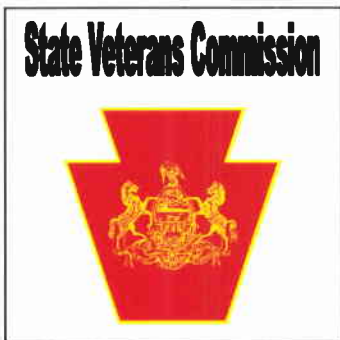
We have reviewed the proposal with Governor Rendell, members of the Department of Military and Veterans Affairs including Adjutant General Wright, Auditor General Wagner, as well as with the Veterans' Commission on behalf of our members. At a special luncheon meeting held on May 3, 2007 at the Governor's residence, the Governor pledged support to the legislation and the associated funding request.

On behalf of Pennsylvania's 1.1 million veterans, I ask that you review the enclosed material considering the merits of our proposal for veterans past, present, and future. Your support is requested and, quite honestly, needed.

Please feel free to contact Kit Watson, Council Secretary at 717-730-9100 or send an email at kit@pa-legion.com. Thank you in advance for your consideration.

Sincerely,


Gary L. Fry
Chairman



A Proposal
From
The Veterans of the
Commonwealth of
Pennsylvania
For
The Veterans Population
of Pennsylvania

A White Paper for State Funding of Veterans Service Organization, Veteran Service Officer Programs

a. Description of the Problem:

One of the traditional and historical roles of veterans' service organizations (VSO's) in Pennsylvania and throughout the nation has been to provide and fund trained and accredited Veteran Service Officers to represent veterans and their families in pursuit of services and benefits entitled to them by federal law. More than 50 percent¹ of the veterans receiving VA Compensation or Pension benefits in Pennsylvania are represented by a Veteran Service Organization. We have always regarded this role as our primary mission, our duty, and a sacred obligation to those who served, sacrificed, and in many cases died in the service of our country. Our very ability to carry on and continue this mission now stands in jeopardy.

As Veteran Service Organizations, we currently fund our Veteran Service Officer programs through dues and fund raising projects supported by our members. Collectively, this costs our state veterans organizations in excess of 1.8 million dollars annually. This program directly competes with the many other programs we do everyday to recognize the sacrifices made by veterans. Realistically, we know we can not continue the programs of the past with less people to help pay the bill. We also realize that this is not the time to pull back or reduce our resources when it comes to veteran services. Pennsylvania ranks 4th in the nation for the number of service members serving on active duty since 2 August 1990 (the current war period)². Based on most estimates, at least one in four of these returning veterans will seek VA Compensation for their service connected injuries or illnesses. We have struggled to keep our service officer programs funded, staffed and trained in the past and know it will be even harder in the future. In this regard, we are unable to pay service officers and their staff a decent wage when compared to the vast knowledge and experience that they must possess. We are currently unable to attract and retain qualified candidates of the future. As an example, the Pennsylvania American Legion is currently seeking a Service Officer in Erie with an advertised starting salary of \$21,500 annually. With starting salaries this low it makes it very difficult to attract candidates that can perform the responsibilities of the position. It takes several years for a new service officer to become fully trained, accredited, functional and effective.

For these reasons the four largest nationally chartered Veteran Service Organizations in Pennsylvania, The American Legion, Veterans of Foreign Wars, Disabled American Veterans and the Pennsylvania Department of AMVETS have joined together, as one collective and united voice to bring these issues to the forefront. We seek legislative help in the form of state funding to keep our service officer programs appropriately staffed and functional. Solving this issue has become the leading legislative priority of the Pennsylvania War Council and the State Veterans Commission and has become an issue that needs immediate attention.